

Controversy surrounds the Emergency Relief for Farmers of Color Act

A couple of weeks ago we wrote about the \$15.00 minimum wage provision that was eliminated from the Coronavirus Stimulus legislation, making a connection between price-support farm programs and minimum wage legislation. The common connection between the two is the inability of both farmers and workers to garner a fair wage through market mechanisms. Given the economic similarities in the two markets, we suggested that farmers and labor might want to support each other in the development of various pieces of legislation that places a floor under both commodity prices (the basis of farm income) and wages (the basis of the income of hourly workers).

Today we want to wade into the controversy over the Emergency Relief for Farmers of Color Act which provides \$4 billion in direct payments to farmers of color to cover up to 120 percent of their outstanding debt covered by USDA guarantees. The extra 20 percent is to help with tax liabilities on the forgiven debt.

According to “The Hill,” Senator Lindsey Graham of South Carolina attacked the provision saying, “In this bill, if you’re a farmer, your loan will be forgiven up to 120 percent of your loan ... if you’re socially disadvantaged, if you’re African American, some other minority. But if you’re [a] white person, if you’re a white woman, no forgiveness. That’s reparations” (<https://tinyurl.com/f4dufvh8>).

On the face of it, Graham’s assertion might make sense to some farmers in counties where all the farmers are white, but there is more to the story.

In this column, it would be impossible to address all of the issues of discrimination against farmers of farmers of color by USDA policies, administrators, personnel, and County Committees that have been identified in a myriad of books and academic articles. What we want to do is provide you, our readers, with a brief overview of the history of the relationship between the US Government including the USDA and black farmers. The history of the relationship of the USDA with other peoples of color may be different but the results are very similar.

What most contemporary farmers do not understand is that the Agricultural Adjustment Act of 1933 (AAA) and subsequent farm programs during the Great Depression would not have survived had Secretary of Agriculture Henry A. Wallace not reluctantly acquiesced to the pressures of racist, segregationist Southern Democrats whose votes were essential to the passage of early farm legislation.

In particular, the biggest issues revolved around cotton and the role of tenant farmers, In their book, “American Dreamer, A Life of Henry A. Wallace,” John C. Culver and John Hyde write: “The AAA contracts required cotton plantation owners to share government benefits with their tenants, but the provision was poorly enforced at best. Some landlords imposed harsh new conditions on their tenants; others simply chased sharecroppers off the land, leaving them destitute and homeless.”

White farmers in the Midwest who farmed on shares were not subject to the same fate.

Despite the challenges, following the Civil War Black farmers had managed to purchase or homestead farmland so that by 1910 “Black farmers made up 14 percent of the US farming population” (<https://tinyurl.com/yvy9z5hy>). Today that number is 1.4 percent.

One of the factors in that decline, as alleged in the Pigford Case (<https://tinyurl.com/2znwtvsw>), was that the USDA (through the County Committees)

discriminated against black farmers by among other things denying them agricultural loans or delaying loans that were given to similarly situated white farmers. Minority farmers also faced challenges receiving disaster payments.

Counties like Stafford and communities like Nicodemus and Belle Plaine, all in Kansas, that were once home to active communities of black farmers now have none. Discrimination in the form of the actions of County Committees on farm loans and the decisions of communities not allowing black farmers to build a house to retire to in town were certainly factors in the decline in the number of black farmers and black residents.

The Emergency Relief for Farmers of Color Act attempts to help put today's black and other minority farmers on an equal footing with white farmers who have faced few barriers in accessing USDA programs over the last nearly nine decades.

Beyond that, all farmers need a farm bill that 1) provides dependable markets, 2) guards against short-term unrealistically high prices followed by years of prices that are well below full cost of production, and 3) thereby puts all farmers on a secure financial footing.

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Dr. Harwood D. Schaffer: Adjunct Research Assistant Professor, Sociology Department, University of Tennessee and Director, Agricultural Policy Analysis Center. Dr. Daryll E. Ray: Emeritus Professor, Institute of Agriculture, University of Tennessee and Retired Director, Agricultural Policy Analysis Center.

Email: hdschaffer@utk.edu and dray@utk.edu; <http://www.agpolicy.org>.

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